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MINISTRY OF LAW

New Delhi, the 28th April, 1956

The following Act of Parliament received the assent of the President on the 27th April, 1956 and is hereby published for general information:—

THE FINANCE ACT, 1956

No. 18 OF 1956

[27th April, 1956]

An Act to give effect to the financial proposals of the Central Government for the financial year 1956-57.

BE it enacted by Parliament in the Seventh Year of the Republic of India as follows:—

1. This Act may be called the Finance Act, 1956.

Short title.

2. (1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the year beginning on the 1st day of April, 1956,—

Income-tax and super-tax.

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule, increased in the cases to which Paragraphs A, B and C of that Part apply, by a surcharge for purposes of the Union at the rate specified therein in respect of each such rate of income-tax; and

(b) rates of super-tax shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (hereinafter referred to as the Income-tax Act), be those specified in Part II of the First Schedule, increased in the cases to which Paragraphs A, B and C of that Part apply, by a surcharge for purposes of the Union at the rate specified therein in respect of each such rate of super-tax.

(2) In making any assessment for the year ending on the 31st day of March, 1957, there shall be deducted from the total income of an assessee, in respect of the earned income, if any, included therein,—

(a) where such earned income does not exceed twenty-five thousand rupees, an amount equal to one-fifth of such earned income but not exceeding in any case four thousand rupees;

(b) where such earned income exceeds twenty-five thousand rupees, the amount, if any, arrived at after deducting from four thousand rupees one-fifth of such excess.

(3) In making any assessment for the year ending on the 31st day of March, 1957,—

(a) where the total income of an assessee, not being a company includes any income chargeable under the head "salaries" as reduced by the deduction for earned income appropriate thereto, or any income chargeable under the head "Interest on Securities", or any income from dividends in respect of which by virtue of section 49B of the Income-tax Act he is deemed himself to have paid the income-tax imposed under that Act, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1955, on his total income ¹⁵ of 1955, the same proportion as the amount of such inclusions bear to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (2) of section 18 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1955, on ¹⁵ of 1955, his total income the same proportion as the amount of such inclusion bears to his total income.

(4) In making any assessment for the year ending on the 31st day of March, 1957,—

(a) where the total income of a company includes any profits and gains from life insurance business, the super-tax otherwise payable by the company on the whole of such total income shall be reduced by an amount which bears to that super-tax the same

proportion as the amount of such inclusion bears to its total income or by an amount computed at the rate of—

4 of 1938. (i) two annas in the rupee in the case of a mutual insurance company as defined in section 95 of the Insurance Act, 1938; and

(ii) one-and-a-half annas in the rupee in the case of any other company;
on the amount of such inclusion, whichever is less;

12 of 1942. (b) where the total income of an assessee, not being a company, includes any profits and gains from life insurance business, the income-tax and super-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of such taxes payable on his total income according to the rates applicable under the operation of the Indian Finance Act, 1942, increased in respect of each such rate by one-twentieth thereof, the same proportion as the amount of such inclusion bears to his total income, so however that the aggregate of the taxes so computed in respect of such inclusion shall not in any case exceed the amount of tax payable on such inclusion at the rate of five annas in the rupee.

(5) In cases to which section 17 of the Income-tax Act applies, the tax chargeable shall be determined as provided in that section, and with reference to the rates imposed by sub-section (1), and in accordance with the provisions of sub-sections (2), (3) and (4) of this section, wherever applicable.

(6) For the purposes of making any deduction of income-tax in the year beginning on the 1st day of April, 1956, under sub-section (2) or sub-section (2B) of section 18 of the Income-tax Act, from any earned income chargeable under the head "salaries", the estimated total income of the assessee under that head shall, in computing the income-tax to be deducted, be reduced—

(i) where such earned income does not exceed twenty-five thousand rupees, by an amount equal to one-fifth of such earned income but not exceeding in any case four thousand rupees;

(ii) where such earned income exceeds twenty-five thousand rupees, by the amount, if any, arrived at after deducting from four thousand rupees one-fifth of such excess;

but no abatement shall be allowed by the person responsible for paying the salary in respect of any donations made by the assessee to which section 15B of the Income-tax Act is, or may be, applicable.

(7) For the purposes of this section and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the

case may be, in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

Amendment
of section 2.

3. In section 2 of the Income-tax Act,—

11 of 1922.

(a) for sub-clause (c) of clause (6A), the following clause shall be substituted, namely:—

"(c) any distribution made to the shareholders of a company on its liquidation, to the extent to which the distribution is attributable to the accumulated profits of the company immediately before its liquidation, whether capitalised or not;"

(b) in clause (6AA), for the words "treated as registered", the word "assessed" shall be substituted.

Amendment
of section 4.

4. For clause (xiva) of sub-section (3) of section 4 of the Income-tax Act, the following clause shall be substituted, namely:—

"(xiva) any income chargeable under the head "salaries" received by or due to any person, not being a citizen of India, during the financial year in which he arrived in India and the financial year next following as remuneration for services rendered by him as a technician in the employment of Government or of a local authority or of any corporation set up under any special law or in any business carried on in India, in any case where such person was not resident therein in any of the four financial years immediately preceding the financial year in which he arrived in India:

Provided that where, during the financial year of arrival and the year next following such person had been in India for a period of, or for periods amounting in all to, three hundred and sixty-five days or more, only so much of the income aforesaid as is received by or due to him for a period of three hundred and sixty-five days in all commencing from the date of his arrival shall not be included in his total income:

Provided further that in the case of a person referred to in this clause whose contract of service was approved by the Central Government before the commencement of his service this clause shall have effect as if for the words "and the financial year next following", the words "and the two financial years next following" had been substituted and as if the proviso immediately preceding had been omitted;

Explanation.—"Technician" means, and shall always be deemed to have meant, a person having specialised knowledge in industrial arts and sciences and having experience in industrial practice who is employed in India in a capacity in which

such specialised knowledge and experience are actually utilised.”.

5. In section 7 of the Income-tax Act,—

Amendment
of section 7.

(a) in the first proviso to sub-section (1), for the word “one-sixth”, the word “one-fifth” shall be substituted;”

(b) after clause (ii) of sub-section (2), the following shall be inserted:—

“(iia) in respect of any conveyance owned by the assessee and used by him for the purposes of his employment, such sum as the Income-tax Officer may estimate in respect of such use as representing the expenditure incurred by the assessee in its maintenance and as representing its normal wear and tear:

Provided that this clause shall not apply in any case where the assessee is in receipt of a conveyance allowance, whether as such or as part of his salary;”.

6. In section 8 of the Income-tax Act,—

Amendment
of section 8

(a) in the first proviso, for the words “in respect of any reasonable sum deducted by a banker from such interest by way of commission or paid to any other person by way of remuneration for realizing such interest on behalf of the assessee”, the following words shall be substituted, namely:—

“In respect of any reasonable sum expended by him for the purpose of realizing such interest”;

(b) after the third proviso, the following *Explanation* shall be inserted, namely:—

Explanation—In the case of a banking company,—

(a) the amount which bears to the aggregate of its expenses as are admissible under sub-section (2) of section 10, other than under clauses (iii), (vi), (via), (vib), (vii), (viii), (xi), (xii), (xiii) and (xiv) thereof, the same proportion as the gross receipts from interest on securities (inclusive of tax deducted at source) chargeable to tax under this section bears to the gross receipts from all sources which are included in the profit and loss account of the company, shall be deemed to be the sum reasonably expended by it for the purposes of realizing such interest; and the amount for which allowance is admissible under sub-section (2) of section 10 shall be reduced correspondingly; and

(b) money borrowed shall include moneys received by way of deposits; and that amount which bears to the amount of interest payable on moneys borrowed the same proportion as the gross receipts from interest on securities (inclusive of tax deducted at source) chargeable to tax under this section bears to the gross receipts from all sources which are included in the profit and loss account of the company, shall be deemed to be interest payable on money borrowed for the purpose of investment in the securities by the assessee, and the amount of such interest for which allowance is due under sub-section (2) of section 10 shall be reduced correspondingly.

Amendment
of section
10.

7. In section 10 of the Income-tax Act,—

(a) in clause (vi) of sub-section (2), after the figures and words "31st day of March, 1945", the words and figures "and before the 1st day of April, 1956" shall be inserted;

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

"(4A) Nothing in sub-section (2) shall, in the computation of the profits and gains of a company, be deemed to authorise the making of—

(a) any allowance in respect of any expenditure which results directly or indirectly in the provision of any remuneration or benefit or amenity to a director or a person who has a substantial interest in the company within the meaning of sub-clause (iii) of clause (6C) of section 2, or

(b) any allowance in respect of any assets of the company used by any person referred to in clause (a) either wholly or partly for his own purposes or benefit, if in the opinion of the Income-tax Officer any such allowance is excessive or unreasonable having regard to the legitimate business needs of the company and the benefit derived by or accruing to it therefrom.

Explanation.—The provisions of this sub-section shall apply notwithstanding that any amount disallowed under this sub-section is included in the total income of any person referred to in clause (a)."

Amendment
of section 12

8. In section 12 of the Income-tax Act, in sub-section (5), for the words, brackets, figure and letter "sub-section (2A)", the words, brackets, figures and letters "sub-sections (2A) and (4A)" shall be

9. In section 14 of the Income-tax Act, in sub-section (2), after clause (a), the following clause shall be inserted, namely:— Amendment
of section 14.

“(aa) if a partner of a registered firm, in respect of that portion of his share in the profits or gains of the firm as is equal to the difference between his share in the total income of the firm and his share in such total income excluding the income-tax, if any, payable by the firm, the shares in either case being computed in the manner laid down in clause (b) of sub-section (1) of section 16:

Provided that in relation to super-tax the provisions of this clause shall have effect as if for the words ‘excluding the income-tax, if any, payable by the firm’, the words ‘excluding the income-tax, if any, payable by the firm, at the rate of income-tax applicable to its total income, on the amount of its profits or gains from all sources other than from any business carried on by it’ had been substituted”.

10. In sub-section (3) of section 15 of the Income-tax Act, for the words “second proviso”, the words “first proviso” shall be substituted. Amendment
of section
15.

11. In section 15C of the Income-tax Act, in clause (ii) of sub-section (2), for the word “eight”, the word “thirteen” shall be substituted. Amendment
of section
15C.

12. In section 16 of the Income-tax Act, for the proviso to sub-section (2), the following proviso shall be substituted and shall be deemed always to have been substituted, namely:— Amendment
of section
16.

“Provided that when the sum out of which the dividend has been paid, credited or distributed or deemed to have been paid, credited or distributed includes—

(i) any profits and gains of the company not included in its total income, or

(ii) any income of the company on which income-tax was not payable, or

(iii) any amount attributable to any allowance made in computing the profits and gains of the company,

the increase to be made under this section shall be calculated only upon such proportion of the dividend as the said sum after deduction of the inclusions enumerated above bears to the whole of that sum.”.

13. In section 17 of the Income-tax Act,—

(a) in sub-section (1), in clause (b), for the words “at the rate, applicable in the case of an individual to the slab next to the slab exempt from super-tax”, the words “at the rate of three annas in the rupee” shall be substituted;

Amendment
of section
17.

(b) in sub-section (3), after the words "exempted from tax under" the words, brackets and letters "clause (aa) or" shall be inserted.

Amendment
of section
23.

14. In sub-section (5) of section 23 of the Income-tax Act,—

(a) in clause (a), for the words "the sum payable by the firm itself shall not be determined but the total income of each partner of the firm, including therein his share of its income, profits and gains of the previous year, shall be assessed and the sum payable by him on the basis of such assessment shall be determined", the following shall be substituted, namely:—

"(i) the income-tax payable by the firm itself shall be determined; and

(ii) the total income of each partner of the firm, including therein his share of its income, profits and gains of the previous year, shall be assessed and the sum payable by him on the basis of such assessment shall be determined:";

(b) for clause (b), the following clause shall be substituted, namely:—

"(b) in the case of an unregistered firm, the Income-tax Officer may, instead of determining the sum payable by the firm itself, proceed to assess the total income of each partner of the firm, including therein his share of its income, profits and gains of the previous year, and determine the tax payable by each partner on the basis of such assessment, if, in the Income-tax Officer's opinion, the aggregate amount of the tax including super-tax, if any, payable by the partners under such procedure would be greater than the aggregate amount which would be payable by the firm and the partners individually, if separately assessed; and where the procedure specified in this clause is applied to any unregistered firm, the provisos to clause (a) of this sub-section shall apply thereto as they apply in the case of a registered firm;".

Amendment
of section
23A.

15. In section 23A of the Income-tax Act,—

(a) in sub-section (1), for the words "be liable to pay super-tax at the rate of four annas in the rupee", the following shall be substituted, namely:—

"be liable to pay super-tax at the rate of eight annas in the rupee in the case of a company whose business consists wholly or mainly in the dealing in or holding of investments, and at the rate of four annas in the rupee in the case of a company;"

(b) in clause (b) of the proviso to sub-clause (1), for the words "where the reserves", the words "where the accumulated profits and reserves" shall be substituted;

(c) in the *Explanation* at the end of the section, in clause (b), for the word "sub-section", the word "section" shall be substituted.

16. In section 24 of the Income-tax Act,—

Amendment
of section 24.

(a) in the second proviso to sub-section (1), the words "in the manner applicable to a registered firm" shall be omitted;

(b) in the proviso to sub-section (2),—

(i) in clause (c), the words "in the manner applicable to a registered firm" shall be omitted; and

(ii) in clause (d), the words "as a registered firm" shall be omitted.

17. In section 28 of the Income-tax Act, in clause (d) of the proviso to sub-section (1), for the words beginning with "when the person liable to penalty" and ending with "that amount shall be taken to be", the following shall be substituted, namely:—

Amendment
of section 28.

"when the person liable to penalty is a registered firm or an unregistered firm which has been assessed under clause (b) of sub-section (5) of section 23, then, notwithstanding anything contained in the other provisions of this Act, the amount of income-tax and super-tax payable by the firm itself shall be taken to be".

18. In section 34 of the Income-tax Act,—

Amendment
of section 34.

(a) in sub-section (1), the words "within eight years" shall be omitted;

(b) for the proviso to sub-section (1), the following provisos shall be substituted, namely:—

"Provided that the Income-tax Officer shall not issue a notice under clause (a) of sub-section (1)—

(i) for any year prior to the year ending on the 31st day of March, 1941;

(ii) for any year, if eight years have elapsed after the expiry of that year, unless the income, profits or gains chargeable to income-tax which have escaped assessment or have been under-assessed or assessed at too low a rate or have been made the subject of excessive relief under this Act, or the loss or depreciation allowance which has been computed in excess, amount to, or are likely to amount to, one lakh of rupees or more in the aggregate, either for that

year, or for that year and any other year or years after which or after each of which eight years have elapsed, not being a year or years ending before the 31st day of March, 1941;

(iii) for any year, unless he has recorded his reasons for doing so, and, in any case falling under clause (ii), unless the Central Board of Revenue, and, in any other case, the Commissioner, is satisfied on such reasons recorded that it is a fit case for the issue of such notice:

Provided further that the Income-tax Officer shall not issue a notice under this sub-section for any year, after the expiry of two years from that year, if the person on whom the assessment or reassessment is to be made in pursuance of the notice is a person deemed to be the agent of a non-resident person under section 43:

Provided further that the tax shall be chargeable at the rate at which it would have been charged had the income, profits or gains not escaped assessment or full assessment, as the case may be;

(c) in sub-section (1B), for the words, brackets, figure and letter "to whom a notice has been issued under sub-section (1A)", the following shall be substituted, namely:—

"to whom a notice has been issued under clause (a) of sub-section (1) or under sub-section (1A) for any of the years ending on the 31st day of March of the years 1941 to 1948, inclusive";

(d) in sub-section (3), for the words beginning with "No order of assessment under section 23" and ending with "exceeds the period of eight years or four years, as the case may be", the following shall be substituted, namely:—

"No order of assessment or reassessment, other than an order of assessment under section 23 to which clause (c) of sub-section (1) of section 28 applies or an order of assessment or reassessment in cases falling within clause (a) of sub-section (1) or sub-section (1A) of this section shall be made after the expiry of four years from the end of the year in which the income, profits or gains were first assessable:

Provided that where a notice under clause (b) of sub-section (1) has been issued within the time therein limited, the assessment or reassessment to be made in pursuance

from the date of the service of the notice even if at the time of the assessment or reassessment the four years aforesaid have already elapsed:”.

19. In section 35 of the Income-tax Act, for sub-section (8), the following sub-sections shall be substituted, namely:—

Amendment
of section
35.

“(8) Where, as a result of proceedings initiated under clause

(a) of sub-section (1) or under sub-section (1A) of section 34,—

(a) a firm or an association of persons is assessed or reassessed, or

(b) a company is assessed or reassessed and in respect thereof an order under section 23A is subsequently made, and the Income-tax Officer concerned is of opinion that it is necessary to compute or recompute the total income of a partner in the firm or a member of the association of persons or a shareholder in the company, as the case may be, the Income-tax Officer may proceed to compute or recompute the total income and determine the sum payable on the basis of such computation or recomputation as if the computation or recomputation is a rectification of a mistake apparent from the record within the meaning of this section; and the provisions of sub-section (1) shall apply accordingly, the period of four years specified therein being reckoned from the date of the final order passed in the case of the firm, association or company, as the case may be.

(9) Where the Income-tax Officer is satisfied that the income-tax payable by a company on its profits and gains out of which the company has declared a dividend, has not been paid within three years after the financial year in which the dividend was declared, the amount of income-tax which a shareholder of the company is deemed himself to have paid in respect of such dividend under section 49B, or the amount for which credit is due to him under sub-section (5) of section 18 in respect of such dividend, shall be deemed to have been wrongly computed; and the Income-tax Officer may, notwithstanding anything contained in this Act, proceed to recompute such amount by reducing it in the same proportion as the amount of income-tax remaining unpaid by the company bears to the amount of income-tax payable by it on such profits and gains, as if the recomputation is a rectification of a mistake apparent from the record within the meaning of this section; and the provisions of sub-section (1) shall apply accordingly, the period of four years specified therein being reckoned from the date on which the period of three years aforesaid has expired.

(10) Where, in any of the assessments for the years beginning on the 1st day of April of the years 1948 to 1955 inclusive, a

rebate of income-tax was allowed to a company on a part of its total income under clause (i) of the proviso to Paragraph B of Part I of the relevant Schedules to the Finance Acts specifying the rates of tax for the relevant year, and subsequently the amount on which the rebate of income-tax was allowed as aforesaid is availed of by the company, wholly or partly, for declaring dividends in any year, the amount or that part of the amount availed of as aforesaid, as the case may be, shall, by reason of the rebate of income-tax allowed to the company and to the extent to which it has not actually been subjected to an additional income-tax in accordance with the provisions of clause (ii) of the proviso to Paragraph B of Part I of the Schedules to the Finance Acts above referred to, be deemed to have been made the subject of incorrect relief under this Act, and the Income-tax Officer shall recompute the tax payable by the company by reducing the rebate originally allowed, as if the recomputation is a rectification of a mistake apparent from the record within the meaning of this section and the provisions of sub-section (1) shall apply accordingly, the period of four years specified therein being reckoned from the end of the financial year in which the amount on which rebate of income-tax was allowed as aforesaid was availed of by the company wholly or partly for declaring dividends.”.

Substitution
of new sec-
tion for
section 37.

Powers of
income-tax
authorities.

20. For section 37 of the Income-tax Act, the following section shall be substituted, namely:—

“37. (1) The Income-tax Officer, Appellate Assistant Commissioner, Commissioner and Appellate Tribunal shall, for the purposes of this Act, have the same powers as are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely:—

- (a) discovery and inspection;
- (b) enforcing the attendance of any person, including any officer of a banking company, and examining him on oath;
- (c) compelling the production of books of account and other documents; and
- (d) issuing commissions.

(2) Subject to any rules made in this behalf, any Income-tax Officer specially authorised by the Commissioner in this behalf may,—

- (i) enter and search any building or place where he has reason to believe that any books of account or other documents which in his opinion will be useful for, or relevant

5 of 1908.

to, any proceeding under this Act may be found and examine them, if found;

(ii) seize any such books of account or other documents or place marks of identification thereon or make extracts or copies therefrom;

(iii) make a note or an inventory of any other article or thing found in the course of any search under this section which in his opinion will be useful for, or relevant to, any proceeding under this Act;

5 of 1898.

and the provisions of the Code of Criminal Procedure, 1898, relating to searches shall apply so far as may be to searches under this section.

(3) Subject to any rules made in this behalf, any authority referred to in sub-section (1) may impound and retain in its custody for such period as it thinks fit any books of account or other documents produced before it in any proceeding under this Act:

Provided that an Income-tax Officer shall not—

(a) impound any books of account or other documents without recording his reasons for so doing; or

(b) retain in his custody any such books or documents for a period exceeding fifteen days (exclusive of holidays) without obtaining the approval of the Commissioner therefor.

(4) Any proceeding before any authority referred to in this section shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purposes of section 196 of the Indian Penal Code.”

45 of 1860.

21. In section 38 of the Income-tax Act, after clause (4), the following clause shall be inserted, namely:— Amendment of section 38.

“(5) require any person, including a banking company or any officer thereof, to furnish information in relation to such points or matters, or to furnish statements of accounts and affairs verified in the manner specified by the Income-tax Officer or the Assistant Commissioner giving information in relation to such points or matters, as, in the opinion of the Income-tax Officer or the Assistant Commissioner, will be useful for, or relevant to, any proceeding under this Act.”

22. In section 49B of the Income-tax Act, in sub-section (1), for the words beginning with “at the rate applicable” and ending with “whole income of the company”, the following shall be substituted and shall be deemed always to have been substituted, namely:— Amendment of section 49B.

“of an amount equal to the sum by which the dividend has been increased under sub-section (2) of section 16”.

Amendment
of section
49D.

23. In section 49D of the Income-tax Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) If any person who is resident in the taxable territories in any year proves that in respect of his income which accrues or arises to him during that year in Pakistan he has paid in that country, by deduction or otherwise, tax payable to the Government under any law for the time being in force in that country relating to taxation of agricultural income, he shall be entitled to a deduction from the Indian Income-tax payable by him—

(a) of the amount of the tax paid in Pakistan under any law aforesaid on such income which is liable to tax under this Act also; or

(b) of a sum calculated on that income at the Indian rate of tax; whichever is less.

(4) Sub-section (3) shall apply in relation to all assessments for the years subsequent to the year ending on the 31st day of March, 1948, and, notwithstanding anything contained in section 50, a claim for refund in respect of any of the years ending on the 31st day of March of the years 1949 to 1952 inclusive, may be entertained if made before the 31st day of March, 1957.”.

Amendment
of section
58.

24. In section 58 of the Income-tax Act,—

(a) in sub-section (1), for the words “the second proviso”, the words “the first proviso” shall be substituted;

(b) in sub-section (2), for the brackets, word, figures and letters “(3B), (3C), (3D) and (3E)”, the brackets, figures, letters and word “(3A), (3B), (3C) and (3D)” shall be substituted.

Amendment
of section
58F.

25. In sub-section (1) of section 58F of the Income-tax Act, for the words “one-sixth of his salary in that year or six thousand rupees”, the words “one-fifth of his salary in that year or eight thousand rupees” shall be substituted.

Amendment
of section
58K.

26. In sub-section (2) of section 58K of the Income-tax Act, for the word, brackets and figures “clause (xii)”, the word, brackets and figures “clause (xv)” shall be substituted.

Amendment
of section
59.

27. In section 59 of the Income-tax Act, in clause (c) of sub-section (2), for the words “for the avoidance of double taxation on income which may be entered into by the Central Government under section 49AA”, the following shall be substituted, namely:—

“for the granting of relief in respect of double taxation or for the avoidance of double taxation which may be entered into by the Central Government under this Act”.

28. The amendments made in the Income-tax Act by section 4 and clause (b) of section 15 shall be deemed to have come into force on the 1st day of April, 1955, and the amendments made by sections 3 to 27 inclusive shall come into force on the 1st day of April, 1956. Commence-
ment of
amendments
to Act 11 of
1922.

29. The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act) shall be amended in the manner specified in the Second Schedule. Amendment
of Act 32 of
1934.

30. In the case of goods chargeable with a duty of customs under Item No. 22(4) of the First Schedule to the Tariff Act, or under that Schedule read with any notification of the Central Government for the time being in force, there shall, on and from the 1st day of April, 1956 and up to the 31st day of March, 1957, be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 155 per cent. of such amount. Additional
duty of cus-
toms on
spirits other
than dena-
tured spirit.

31. When any goods chargeable with a duty of Customs under the First Schedule to the Tariff Act, or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall, up to the 31st day of March, 1957, be levied and collected as an addition to, and in the same manner as, the total amount so chargeable— Additional
duties of
Customs.

(a) a sum equal to 55 per cent. of such amount, in the case of goods comprised in Items Nos. 48 and 51(2), and in the case of textile manufactures specified in Item No. 49 when made wholly or mainly of any of the fabrics specified in Items Nos. 48, 48(1), 48(4), 48(5), 48(7) or 48(10);

(b) a sum equal to 45 per cent. of such amount, in the case of goods comprised in Item No. 47(2);

(c) a sum equal to 25 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule other than those specified in section 30 or in clauses (a) and (b) of this section or in the Third or the Fourth Schedule to this Act; and

(d) a sum equal to 5 per cent. of such amount, in the case of goods comprised in any of the Items of the said Schedule specified in the Fourth Schedule to this Act.

32. In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1956", the figures "1957" shall be substituted. Amendment
of Act 1 of
1949.

1 of 1944.

33. In section 6 of the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act),— Amendment
of section 6.

(a) in clause (a), for the words "any specified excisable goods"; the words "any specified goods included in the First

(b) in clause (b), for the words and letter "any excisable goods specified in this behalf in Part A of the Second Schedule", the words "any specified goods included in the First Schedule" shall be substituted.

Amendment
of section 8.

34. In section 8 of the Central Excises Act, for the words and letter "any excisable goods specified in this behalf in Part B of the Second Schedule", the words "any goods specified in the Second Schedule" shall be substituted.

Amendment
of the First
Schedule

35. In the First Schedule to the Central Excises Act,—

(a) for Item No. 1, the following Item shall be substituted, namely:—

"1. KEROSENE—

Kerosene, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute) which has a flame height of eighteen millimetres or more and is ordinarily used as an illuminant in oil burning lamps. Three annas per Imperial gallon.

Explanation I.—'Mineral Oil' means an oil consisting of a single liquid hydrocarbon or a liquid mixture of hydrocarbons (except for associated impurities) derived from petroleum, coal, shale, peat or any other bituminous substance and includes any similar oil produced by synthesis or otherwise.

Explanation II.—"Flame height" shall be determined in the apparatus known as the smoke point lamp in the manner prescribed in this behalf by the Central Government by notification in the Official Gazette."

(b) for Item No. 4, the following Item shall be substituted, namely:—

"4. MOTOR SPIRIT—

Motor Spirit, that is to say,—

- (i) Any mineral oil (excluding crude mineral oil) which has its flashing point below seventy-six degrees of Fahrenheit's thermometer, and which either by itself or in admixture with any other substance, is suitable for use as fuel for internal combustion engines ; and Fifteen annas per Imperial gallon.
- (ii) Power Alcohol, that is to say, ethyl alcohol of any grade (including such alcohol when denatured or otherwise treated), which, either by itself or in admixture with any other substance, is suitable for being used as aforesaid.

Explanation I.—The expression "mineral oil" has the meaning assigned to it in *Explanation I* to Item No. 1.

Explanation II.—"Flashing point" shall be determined in accordance with the tests specified in this behalf in the rules made under the Petroleum

(c) in Item No. 12,—

(i) in sub-item (1), for the words "Two annas per square yard", the words "Two annas and six pies per square yard" shall be substituted;

(ii) in sub-item (2), for the words "One anna and three pies per square yard", the words "One anna and nine pies per square yard" shall be substituted;

(iii) in sub-item (3), for the words "Six pies per square yard", the words "One anna per square yard", shall be substituted;

(iv) for sub-item (4), the following sub-item shall be substituted, namely:—

"(4) Cotton fabrics, coarse—that is to say, fabrics in which the average count of yarn is less than 17s—

(a) dhoties and sarrees Six pies per square yard.

(b) all other sorts One anna per square yard." ;

(d) in Item No. 12A, clause (v) shall be omitted;

(e) for Item No. 16, the following Item shall be substituted, namely:—

"16. "SOAP" means all varieties of the product known commercially as soap—

I. Soap, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power or of steam for heating—

(1) Soap, household and laundry—

(i) plain bars of not less than one pound in weight, Rupees five and annas four per cwt.

(ii) other sorts Rupees six and annas two per cwt.

(2) Soap, toilet Rupees fourteen per cwt.

(3) Soap, other than household and laundry or toilet Rupees fourteen per cwt.

II. Soap, in or in relation to the manufacture of which no process has been carried on with the aid of power or of steam for heating—

(i) plain bars of not less than one pound in weight Rupees four and annas eight per cwt.

(ii) other sorts Rupees five and annas four per cwt." ;

(f) in Item No. 21,—

(i) for the words “including pasteboard, millboard and cardboard, but excluding strawboard”, the following words shall be substituted, namely:—

“including pasteboard, millboard strawboard, and cardboard”;

(ii) for sub-items (5)(c) and (5)(d), the following sub-items shall be substituted, namely:—

- | | |
|--|---------------------------------|
| “(c) coated board (art, chrome and board for playing cards). | One anna and three pice per lb. |
| (d) manilla and corrugated board | One anna per lb. |
| (e) millboard and strawboard other than corrugated board. | Six pice per lb. |
| (f) board, not otherwise specified | One anna per lb.”, |

(g) in Item No. 22,—

(i) in sub-item I(1), the words “all sorts” shall be omitted;

(ii) in sub-items I(3) and I(4), the words and figures “exceeds 50 tons but”, wherever they occur, shall be omitted;

(iii) in sub-item I(3), the words and figures “Nil in the case of a manufacturer whose output of water paints does not exceed 50 tons per year”, wherever they occur, shall be omitted;

(iv) in sub-item I(4), the words and figures “Nil in the case of a manufacturer whose output of oil paints and enamels does not exceed 50 tons per year”, wherever they occur, shall be omitted;

(v) the “*Explanation*” shall be omitted;

(h) after Item No. 22, the following Items shall be inserted, namely:—

- | | |
|--|---------------------------------|
| “23. Vegetable Non-essential Oils, all sorts, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power. | Rupees seventy per ton. |
| 24. Refined Diesel Oils and Vaporizing Oil, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute) which has its flashing point at or above seventy-six degrees of Fahrenheit's thermometer, and satisfies either of the following requirements :— | Four annas per Imperial gallon. |
| (i) the oil has a flame height of ten millimetres or more but less than eighteen millimetres ; or | |
| (ii) the oil has a flame height of less than ten millimetres but has a viscosity of less than one hundred seconds by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer, and contains less than one quarter of one per cent. by weight of any bituminous substance. | |

Explanation.—The expressions “mineral oil”, “flame height” and “flashing point” have the meanings respectively assigned to them in *Explanations I and II* to Item No. 1 and in *Explanation II* to Item No. 4.

25. Industrial Fuel Oils—

- (a) Diesel Oil, not otherwise specified, that is to say, Rupees thirty per any mineral oil which— ton.
- (i) has a flame height of less than ten millimetres,
 - (ii) contains one quarter of one per cent. or more by weight of any bituminous substance, and
 - (iii) possesses a viscosity of less than one hundred seconds by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer.
- (b) Furnace oil, that is to say, any mineral oil which— Rupees fifteen per ton.
- (i) has a flame height of less than ten millimetres,
 - (ii) contains one quarter of one per cent. or more by weight of any bituminous substance, and
 - (iii) possesses a viscosity of one hundred seconds or more by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer.

Explanation.—The expressions “mineral oil” and “flame height” have the meanings respectively assigned to them in *Explanations I and II* to Item No. 1.”

36. For the Second Schedule to the Central Excises Act, the following Schedule shall be substituted, namely:—

Substitution of new Schedule for Second Schedule.-

“THE SECOND SCHEDULE

(See section 8)

TOBACCO”.

37. In respect of motor spirit chargeable with a duty of excise under the First Schedule to the Central Excises Act, there shall, up to the 31st day of March, 1957, be levied and collected, as an addition to, and in the same manner as, the total amount so chargeable, a surcharge of five per cent. of such amount. Additional duties of excise.

38. For the year beginning on the 1st day of April, 1956, no duty under the Central Excises Act, or the Tariff Act, shall be levied in respect of salt manufactured in or imported into India. Discontinuance of salt duty.

THE FIRST SCHEDULE

(See section 2)

PART I

Rates of Income-tax

A. (i) In the case of every individual who is married and every Hindu undivided family,—

	Rate	Surcharge
1. On the first Rs. 2,000 of total income.	<i>Nil</i>	<i>Nil</i>
2. On the next Rs. 3,000 of total income.	Nine pies in the rupee.	One-twentieth of the rate specified in the preceding column.
3. On the next Rs. 2,500 of total income.	One anna and nine pies in the rupee.	Ditto.
4. On the next Rs. 2,500 of total income.	Two annas and three pies in the rupee.	Ditto.
5. On the next Rs. 5,000 of total income.	Three annas and three pies in the rupee.	Ditto.
6. On the balance of total income.	Four annas in the rupee.	Ditto.

(ii) In the case of every individual who is not married and every unregistered firm or other association of persons, not being a case to which paragraph B or paragraph C or paragraph D of this Part applies,—

	Rate	Surcharge
1. On the first Rs. 1,000 of total income	<i>Nil</i>	<i>Nil</i>
2. On the next Rs. 4,000 of total income.	Nine pies in the rupee	One-twentieth of the rate specified in the

	Rate	Surcharge
3. On the next Rs. 2,500 of total income.	One anna and nine pies in the rupee.	One-twentieth of the rate specified in the preceding column.
4. On the next Rs. 2,500 of total income.	Two annas and three pies in the rupee.	Ditto.
5. On the next Rs. 5,000 of total income.	Three annas and three pies in the rupee.	Ditto.
6. On the balance of total income.	Four annas in the rupee.	Ditto.

Provided that—

(i) no income-tax shall be payable on a total income which, before deduction of the allowance, if any, for earned income, does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income (before deduction of the said allowance, if any, for earned income) exceeds the said limit;

(iii) the income-tax payable on the total income as reduced by the allowance for earned income shall not exceed either—

(a) a sum bearing to half the amount by which the total income (before deduction of the allowance for earned income) exceeds the said limit the same proportion as such reduced total income bears to the unreduced total income, or

(b) the income-tax payable on the income so reduced at the rates herein specified,

whichever is less.

The limit referred to in the above proviso shall be—

(i) in the case of every Hindu undivided family which as at the end of the previous year had—

	Rs.
(a) at least two members entitled to claim partition	8,400
(b) at least four members entitled to claim partition	12,600 :

Provided that in the case referred to in sub-clause (a) none of the members and in the case referred to in sub-clause (b) none of the minimum number of four members,—

(a) is less than eighteen years of age; or

(b) is lineally descended from another member or along with another member is lineally descended from any other

(ii) in every other case 4,200:

Provided further that—

(i) no surcharge shall be payable on a total income which, before deduction of the allowance, if any, for earned income, does not exceed the limit specified below;

(ii) the surcharge payable shall in no case exceed half the amount by which the total income (before deduction of the said allowance, if any, for earned income) exceeds the said limit.

The limit referred to in the above proviso shall be—

(i) in the case of every Hindu undivided family which satisfies the conditions laid down in the preceding proviso and had as at the end of the previous year—

	Rs.
(a) at least two members entitled to claim partition .	14,400
(b) at least four members entitled to claim partition .	21,600
and	
(ii) in every other case	7,200

Explanation.—For the purposes of this paragraph, in the case of every Hindu undivided family governed by the Mitakshara law, a son shall be deemed to be entitled to claim partition of the co-parcenary property against his father or grandfather, notwithstanding any custom to the contrary.

B. In the case of every company—

	Rate	Surcharge
On the whole of total income.	Four annas in the rupee.	One-twentieth of the rate specified in the preceding column.

C. In the case of every local authority and in every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate—

	Rate	Surcharge
On the whole of total income.	Four annas in the rupee.	One-twentieth of the rate specified in the preceding column.

D. In the case of every registered firm —

	Rate
On the first Rs. 40,000 of total income	Nil
On the next Rs. 35,000 of total income .	Nine pies in the rupee.
On the next Rs. 75,000 of total income .	One anna in the rupee.
On the balance of total income	One anna and six

PART II

Rates of Super-tax

A. In the case of every individual, Hindu undivided family, un-registered firm and other association of persons, not being a case to which any other Paragraph of this part applies—

	Rate	Surcharge
1. On the first Rs. 20,000 of total income.	<i>Nil</i>	<i>Nil</i>
2. On the next Rs. 5,000 of total income.	One anna in the rupee.	One-twentieth of the rate specified in the preceding column.
3. On the next Rs. 15,000 of total income.	Three annas in the rupee.	Ditto.
4. On the next Rs. 10,000 of total income.	Five annas in the rupee.	Ditto.
5. On the next Rs. 10,000 of total income.	Six annas in the rupee.	Ditto.
6. On the next Rs. 10,000 of total income.	Seven annas in the rupee.	Ditto.
7. On the next Rs. 10,000 of total income.	Seven and a half annas in the rupee.	Ditto.
8. On the next Rs. 10,000 of total income.	Eight annas in the rupee.	Ditto.
9. On the next Rs. 10,000 of total income.	Eight and a half annas in the rupee.	Ditto.
10. On the next Rs. 20,000 of total income.	Nine annas in the rupee.	Ditto.
11. On the next Rs. 30,000 of total income.	Nine and a half annas in the rupee.	Ditto.
12. On the balance of total income.	Ten annas in the rupee.	Ditto.

B. In the case of every local authority—

	Rate.	Surcharge
On the whole of total income.	Two and a half annas in the rupee.	Three pies in the rupee.

C. In the case of an association of persons being a co-operative society as defined in clause (5B) of section 2 of the Income-tax Act—

	Rate	Surcharge
1. On the first Rs. 25,000 of total income.	<i>Nil</i>	<i>Nil</i>
2. On the balance of total income.	Two and a half annas in the rupee.	Three pies in the rupee.

D. In the case of every company—

Rate

On the whole of total income . . . Six annas and nine pies in the rupee;

Provided that—

(i) a rebate at the rate of five annas per rupee of the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax under the Income-tax Act for the year ending on the 31st day of March, 1957, has made the prescribed arrangements for the declaration and payment within the territory of India, of the dividends payable out of such profits and for the deduction of super-tax from dividends in accordance with the provisions of sub-section (3D) of section 18 of that Act, and

(b) is a public company with total income not exceeding Rs. 25,000 to which the provisions of section 23A cannot be made applicable;

(ii) a rebate at the rate of four annas per rupee of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b), of the preceding clause; and

(iii) a rebate at the rate of three annas and six pies per rupee on so much of the total income as consists of dividends from a subsidiary Indian company, and a rebate at the rate of one anna per rupee on any other income included in the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that—

(i) the amount of the rebate under clause (i) or clause (ii), as the case may be, of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

- (a) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital, except to the extent to which such bonus shares or bonus have been issued out of premiums received in cash on the issue of its shares; and
- (b) in addition, in the case of a company referred to in clause (ii) of the preceding proviso which has distributed to its shareholders during the previous year dividends in excess of six per cent. of its paid-up capital, not being dividends payable at a fixed rate—

on that part of the said dividends which exceeds 6 per cent. but does

not exceed 10 per cent. of the paid-up capital ;

on that part of the said dividends at the rate of three annas per which exceeds 10 per cent. of the rupee.
paid-up capital ;

(ii) where the sum arrived at in accordance with sub-clause (a) or sub-clause (b) or both the sub-clauses of clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts—

(a) issued as bonus shares or as bonus, and

(b) distributed as dividends,

as is sufficient, in that order, in accordance with the rates specified in clause (i) of this proviso, to reduce the rebate to *nil*, shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company the total income of which exceeds Rs. 25,000 shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been Rs. 25,000, and

(b) half the amount by which its total income exceeds Rs. 25,000.

Explanation.—For the purposes of Paragraph D of this Part—

(i) the expression 'paid-up capital' means the paid-up capital (other than capital entitled to a dividend at a fixed rate) of the company as on the first day of the previous year relevant to the assessment for the year ending on the 31st day of March, 1957, increased by any premiums received in cash by the company on the issue of its shares, standing to the credit of the share premium account as on the first day of the previous year aforesaid;

(ii) the expression 'dividend' shall be deemed to include any distribution included in the expression 'dividend' as defined in clause (6A) of section 2 of the Income-tax Act;

(iii) where any portion of the profits and gains of the company is not included in its total income by reason of such portion being exempt from tax under any provision of the Income-tax Act, the amount of the 'paid-up capital' of the company, the amount distributed as dividends (not being dividends payable at a fixed rate), the amount representing the face value of any bonus shares and the amount of any bonus issued to the shareholders, shall each be deemed to be such proportion thereof as the total income of the company for the previous year bears to its total profits and gains for that year other than capital gains or capital receipts, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss account for that year.

THE SECOND SCHEDULE

(See section 29)

PART I

In the First Schedule to the Tariff Act,—

(a) In Items Nos. 15(6), 15(7) and 15(11), to each of the existing entries in the fourth and sixth columns, the words “*plus* the excise duty for the time being leviable on like articles if produced or manufactured in India” shall be added.

(b) In Item No. 27(3), to the existing entry in the fourth column, the words “*plus* the excise duty for the time being leviable on like articles if produced or manufactured in India” shall be added.

(c) In item No. 28(7), in the entry in the second column, the words “liquid gold for glass making” shall be omitted.

(d) In Item No. 28(21), in the entry in the second column, the words and letters “Vitamins A and E excluding fish-liver oils” shall be omitted.

(e) In Item No. 28(28), for the existing entry in the second column, the entry “Sulpha drugs, vitamins and vitamin preparations excluding fish-liver oils” shall be substituted.

PART II

In the First Schedule to the Tariff Act, for Items Nos. 27(4), 27(5), 27(7), 35, 44(5), 73(14) and 77(6), the following Items shall be substituted, and such substitutions shall be inserted in their appropriate places:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
27(4)	(a) Kerosene, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute) which has a flame height of eighteen millimetres or more, and is ordinarily used as an illuminant in oil burning lamps.	Revenue	Three annas per Imperial gallon.	..	..	..
	(b) Any mineral oil [excluding kerosene as defined in sub-item (a), turpentine substitute and oils which are known to be used as fuel for any type of internal combustion engine] which has its flashing point below one hundred degrees of Fahrenheit's thermometer.	Revenue	Three annas per Imperial gallon.	..	..	..

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
<p><i>Explanation I.</i>—"Mineral oil" means an oil consisting of a single liquid hydrocarbon or a liquid mixture of hydrocarbons (except for associated impurities) derived from petroleum, coal, shale, peat or any other bituminous substance, and includes any similar oil produced by synthesis or otherwise.</p> <p><i>Explanation II.</i>—"Flame height" shall be determined in the apparatus known as the smoke point lamp in the manner prescribed in this behalf by the Central Government by notification in the Official Gazette.</p> <p><i>Explanation III.</i>—"Flashing point" shall be determined in accordance with the tests specified in this behalf in the rules made under the Petroleum Act, 1934.</p>						
30 of 1934.						
27(5)	High Speed Diesel oil and Vaporizing oil, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute) which has its flashing point at or above seventy-six degrees of Fahrenheit's thermometer, and satisfies either of the following requirements, namely :—	Revenue	Three annas per Imperial gallon or 15 per cent. <i>ad valorem</i> , whichever is higher, plus the excise duty for the time being leviable on like articles if produced or manufactured in India.	..	..	..
	(i) the oil has a flame height of ten millimetres or more but less than eighteen millimetres ; or					
	(ii) the oil has a flame height of less than ten millimetres, but has a viscosity of less than fifty seconds by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer, and contains less than one quarter of one per cent. by weight of any bituminous substance.					
<p><i>Explanation.</i>—The expressions "mineral oil", "flame height" and "flashing point" have the meanings respectively assigned to them in <i>Explanations I, II and III</i> to Item No. 27(4).</p>						
27(7) (a)	Mineral oil which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of jute or other fibre.	Revenue	Rs. 18-12 per ton or 15 per cent. <i>ad valorem</i> , whichever is higher.	..	..	..

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
(b)	Industrial Fuel Oils—	Revenue	15 per cent. <i>ad valorem</i>	..	..	..
(i)	Diesel oil, not otherwise specified, that is to say, any mineral oil which—		<i>plus</i> the excise duty for the time being leviable on like articles if produced or manufactured in India.			
(i)	has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer,					
(ii)	has a flame height of less than ten millimetres,					
(iii)	contains one quarter of one per cent. or more by weight of any bituminous substance, and					
(iv)	possesses a viscosity of less than one hundred seconds by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer.					
(a)	Furnace oil, that is to say, any mineral oil which—	Revenue	15 per cent. <i>ad valorem</i>	..	..	..
(i)	has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer,		<i>plus</i> the excise duty for the time being leviable on like articles if produced or manufactured in India.			
(ii)	has a flame height of less than ten millimetres,					
(iii)	contains one quarter of one per cent. or more by weight of any bituminous substance, and					
(iv)	possesses a viscosity of one hundred seconds or more by Redwood I Viscometer at one hundred degrees of Fahrenheit's thermometer.					
<p><i>Explanation.</i>—The expressions "mineral oil", "flame height" and "flashing point" have the meanings respectively assigned to them in <i>Explanations</i> I, II and III to Item No. 27(4).</p>						
35	Manures, all sorts, including animal bones and the following chemical manures, namely, sulphate of ammonia, sulphate of potash, kainit salts, and mineral phosphates, imported in a form indicative of their use for manurial purposes, but excluding basic slag, nitrate of ammonia, muriate of potash, carbolime, urea, nitrate of lime, calcium cyanamide, ammonium phosphates and mineral superphosphates.	..	Free	..	..	..

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
44(5)	(a) Samples of goods which are exempt from import duties under and in accordance with the International Convention to facilitate the importation of Commercial Samples and Advertising Material drawn up at Geneva and dated the 7th day of November, 1952.	..	Free	..	..	..
	(b) Trade catalogues, price lists and advertising circulars, which are supplied free of charge and which are exempt from import duties under and in accordance with the aforesaid Convention.	..	Free	..	..	..
73(14)	Flash lights, complete, and flash light cases.	Revenue	50 per cent. <i>ad valorem</i> .			
77(6)	Spectacles and Spectacle frames—					
	(a) Spectacles, complete, other than those fitted with spectacle frames made of or plated with gold and silver or with either of them.	Revenue	50 per cent. <i>ad valorem</i> .			
	(b) Spectacle frames, all sorts, other than spectacle frames made of or plated with gold and silver or with either of them and parts thereof	Revenue	50 per cent. <i>ad valorem</i> .			

PART III

In the First Schedule to the Tariff Act, after Item No. 28(7), the following shall be inserted namely :—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
28(7A)	Liquid gold for glass making	Revenue	62 1/2 per cent. <i>ad valorem</i>.	..	..	..

THE THIRD SCHEDULE

(See section 31)

Goods on which additional duty of customs is not leviable

Goods comprised in the following Items of the First Schedule to the Tariff Act, namely:—

1(1), 2, 4(1), 4(3), 4(4), 4(5), 7(1), 8(1), 8(3), 8(4), 8(5), 9(3), 9(4), 9(5), 9(6), 12(6), 13(8), 13(9), 15(5), 15(9), 15(10), 15(11), 15(12), 16, 16(1), 16(3), 18, 19, 19(1), 19(2), 19(3), 20, 20(1), 20(2), 20(3), 20(4), 20(6), 20(7), 20(8), 20(9), 21, 21(4), 21(5), 21(6), 21(7), 21(8), 21(9), 22(1), 22(2), 22(3), 22(5), 27(1), 27(3), 27(4), 27(6), 27(9), 28A, 28(1), 28(7A), 28(14), 28(20), 28(21), 28(22), 28(23), 28(24), 28(25), 28(26), 28(26A), 28(27), 28(28), 28(29), 28(30), 28(33), 28(34), 30(1), 30(2), 30(6), 30(7), 30(11), 30(12), 30(13), 30(14), 30(15), 30(16), 31(4), 31(5), 32(1), 32(2), 36(2), 37, 37(1), 37(2), 38, 40(2), 40(6), 40(7), 42, 44(1), 44(4), 44(7), 45, 45(3), 45(4), 45(5), 45(6), 48(1), 48(2), 48(3), 48(4), 48(5), 48(6), 48(7), 48(8), 48(9), 48(10), 49(c), 49(1), 49(2), 49(3), 50(1), 50(3), 50(4), 51, 52, 52(4), 53(2), 54, 55(1), 55(2), 55(3), 56, 56(1), 59(2), 59(3), 59(4), 55(5), 60, 60(2), 60(4), 60(5), 60(7), 60(8), 61, 61(11), 63(12), 63(15), 63(18), 66(2), 70(2), 70(3), 70(10), 70(11), 71(2), 71(3), 71(8), 71(9), 71(10), 71(11), 71(12), 71(13), 71(14), 72(4), 72(5), 72(14), 72(26), 72(27), 72(28), 72(33), 72(34), 72(35), 72(40), 73(4), 73(6), 73(7), 73(8), 73(9), 73(10), 73(11), 73(12), 73(14), 73(16), 73(17), 73(18), 73(19), 74(4), 75(1), 75(5), 75(12A), 75(14), 75(15), 75(16), 75(17), 75(18), 76, 77(2), 77(4), 77(6), 77(7), 78(1), 79, 82(4), 83, 84(b), 84(1), 85, 85(2), 86, 86(1).

THE FOURTH SCHEDULE

(See section 31)

Goods on which additional duty of customs at 5 per cent. is leviable

Goods comprised in the following Items of the First Schedule to the Tariff Act, namely:—

4, 8(2), 11(2), 11(4), 11(5), 11(6), 13(4), 15, 21(3), 24, 24(1), 24(2), 24(3), 25(1), 27(2), 27(5), 27(7), 27(8), 28, 28(4), 28(8), 28(12), 28(15), 28(16), 28(17), 28(18), 28(19), 28(31), 29, 29(1), 30, 30(9), 30(10), 34(3), 40(4), 40(5), 43, 44, 46, 46(3), 47, 55, 60(3), 60(6), 61(2), 61(3), 61(8), 61(9), 62(1), 62(2), 63(14), 63(30), 63(31), 63(32), 63(33), 63(34), 63(35), 64, 64(3), 64(4), 65, 66, 66(1), 67, 67(1), 67(2), 68, 68(2), 69(2), 70, 70(1), 70(4), 70(5), 70(6), 70(9), 71(7), 72, 72(1), 72(2), 72(3), 72(11), 72(12), 72(13), 72(15), 72(16), 72(17), 72(18), 72(19), 72(20), 72(21), 72(22), 72(23), 72(24), 72(25), 73(2), 73(15), 74(2), 75, 75(2), 75(3), 75(6), 75(7), 75(7A), 75(8), 75(9), 75(10), 75(11), 75(12), 75(13), 77, 77, 78, 82(1), 82(3), 84(a), 85(1).

G. R. RAJAGOPAUL.

Addl. Secy. & Chief Draftsman.